

PURCHASING AND LICENSING COMMITTEE

11-052-O

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 8, SECTION 8-41 OF THE DULUTH CITY CODE, 1959, AS AMENDED, PERTAINING TO THE ALCOHOLIC BEVERAGE CODE.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That Section 8-41 of the Duluth City Code, 1959, as amended, is hereby amended to read as follows:

Sec. 8-41. Types generally.

(a) With respect to intoxicating liquor, there shall be ~~eight~~ the following types of licenses: on sale, on sale club, on sale wine, on sale culinary class, on sale theater, on sale brewer taproom, temporary on sale, off sale and a brewery malt liquor off sale;

(b) On sale licenses shall permit the licensee to sell intoxicating liquor at retail for consumption on the licensed premises only;

(c) On sale culinary class licenses shall permit the licensee to sell intoxicating liquor subject to the restrictions of Section 8-44(d) of this Chapter and Minnesota Statutes Section 340A.4041, or its successor;

(d) The on sale theater license authorizes sales on all days of the week to persons attending events at the theater;

(e) The on sale brewer taproom license authorizes on-sale of malt liquor produced by the brewer for consumption on the premises of or adjacent to one brewery location owned by the brewer, subject to the restrictions of this Chapter and Minnesota Statutes Section 340A.301, subd. 6(b), or its successor;

(~~e~~f) Temporary on sale licenses shall permit the licensee to sell intoxicating liquor on sale temporarily in connection with a

social event sponsored by the licensee;

(~~fg~~) Except as provided herein, off sale licenses shall permit the licensee to sell intoxicating liquor at retail in original packages for consumption off the licensed premises only;

(~~gh~~) Brewery malt liquor off sale licenses shall permit breweries holding on sale licenses or a brewer who manufactures fewer than 3,500 barrels of malt liquor in a year to sell malt liquor off sale in 64-ounce containers commonly known as growlers, subject to the restrictions in Minnesota Statutes, Section 340A.301, subd. 7(b), or its successor, and this Chapter;

(~~hi~~) Notwithstanding the provisions of sections 8-21 and 8-22 of this Chapter, it shall be lawful for the holder of an off sale intoxicating liquor license or a brewery malt liquor off sale license to provide samples as provided in Minnesota Statutes, Section 340A.510, or its successor;

(~~ij~~) With respect to 3.2 percent malt liquor, there shall be three types of licenses: on sale, off sale and temporary on sale;

(1) On sale licenses shall permit the licensee to sell 3.2 percent malt liquor at retail for consumption on the licensed premises only;

(2) Off sale licenses shall permit the licensee to sell 3.2 percent malt liquor at retail in original packages for consumption off the licensed premises only;

(3) A temporary on sale license shall permit the licensee to sell 3.2 percent malt liquor at retail for a limited period of time at a designated licensed premise only;

(~~jk~~) No alcoholic beverage license of any type shall be granted to any elective, executive or administrative officer of the city, nor to any employee holding a position in the classified service of the city and working as a licensed peace officer in the

police department or as a fire marshal or assistant fire marshal, nor shall any such officer or employee engage in the business, except that employees in the classified service not working as a licensed peace officer in the police department or as a fire marshal or assistant fire marshal may work in any licensed establishment if they do not participate in the management of the business.

Section 2. That this ordinance shall take effect 30 days after its passage and publication.

Approved:


Department Director


Approved for presentation to council:


Chief Administrative Officer

Approved as to form:


Attorney

Approved:


Auditor

DPD/ATTY MAL:dma 10/14/2011

STATEMENT OF PURPOSE:

Section 1. This Section provides authorization to the city to issue a brewer taproom license. This type of license was created by the legislature during its 2011 session. The statutory controls related to this license are as follows:

Subd. 6b. Brewer taproom license. (a) A municipality may issue the holder of a brewer's license under subdivision 6, clause (c), (i), or (j), a brewer taproom license. A brewer taproom license authorizes on-sale of malt liquor produced by the brewer for consumption on the premises of or adjacent to one brewery location owned by the brewer. Nothing in this subdivision precludes the holder of a brewer taproom license from also holding a license to operate a restaurant at the brewery. Section 340A.409 shall apply to a license issued under this subdivision. All provisions of this chapter that apply to a retail liquor license shall apply to a license issued under this subdivision unless the provision is explicitly inconsistent with this subdivision.

(b) A brewer may only have one taproom license under this subdivision, and may

not have an ownership interest in a brewery licensed under subdivision 6, clause (d).

(c) A municipality may not issue a brewer taproom license to a brewer if the brewer seeking the license, or any person having an economic interest in the brewer seeking the license or exercising control over the brewer seeking the license, is a brewer that brews more than 250,000 barrels of malt liquor annually or a winery that produces more than 250,000 gallons of wine annually.

(d) The municipality shall impose a licensing fee on a brewer holding a brewer taproom license under this subdivision, subject to limitations applicable to license fees under section 340A.408, subdivision 2, paragraph (a).

(e) A municipality shall, within ten days of the issuance of a license under this subdivision, inform the commissioner of the licensee's name and address and trade name, and the effective date and expiration date of the license. The municipality shall also inform the commissioner of a license transfer, cancellation, suspension, or revocation during the license period.